GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:6871
ANSWERED ON:09.05.2003
CAPITAL INVESTMENT BY JAPAN
RAMDAS ATHAWALE

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the details of the indigenous industries in which Japan made investments during each of the last three years;

(b) whether Japan has set up some joint ventures during the said period;

(c) if so, the details thereof;

(d) the capital investment made by Japan in these joint ventures project-wise;

(e) whether Japan propose to invest in some more joint ventures during the current financial year also; and

(f) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE & INDUSTRY (SHRI CH. VIDYA SAGAR RAO)

(a)to(d) : The number of approvals involving Joint Ventures between Japanese companies with Indian partnersand Foreign Direct Investment (FDI) inflows into India from Japan during 2000-2002 are as under:

Year(Jan-Dec)	FDI proposals from Japan approved by the Govt. into India (Rs. in Crore)		FDI inflows# from Japan
	No.	Amount	
2000	57	828.94	985.69
2001	59	703.6	996.54
2002	75	575.51	
		1980.46	

Inflows include amount received through RBI+FIPB+ acquisition of shares.

(e)&(f): Yes, Sir. Japanese investors perceive India as an important investment destination in the medium and long term. India is ranked fifth (in the short-term-three years) and second (in the long term-ten years) by the Japan Bank for International Cooperation Survey 1999-2002. The surveys of Japan External Trade Organization (JETRO),Japanese Exim Bank, Ministry of Economy, Trade and Industry (METI)rate India as an ideal investment destination due to various factors, namely, liberal FDI policy, strong macro economic fundamentals, major economic reforms, Special Economic Zones(SEZs), FDI trends and procedural rationalisation. Japan ranks fourth in terms of total Foreign Direct Investment (FDI) inflows to India from 1991 to 2002 and accounts for 7.83% of the total FDI inflows during this period.